

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**Rail Safety and Carriers Division**

Agenda ID 690
RESOLUTION TL-19005
June 27, 2002

RESOLUTION

**RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR TO
GRANT REQUESTS FOR VOLUNTARY SUSPENSION BY PASSENGER
STAGE CORPORATIONS AND CHARTER-PARTY CARRIERS**

SUMMARY

This resolution delegates to the Commission's Executive Director the authority to suspend the operating authority of a passenger stage corporation (PSC) or charter-party carrier (TCP) upon request of the carrier.

BACKGROUND

The Commission grants certificates and permits to passenger stage corporations and charter-party carriers to operate as for-hire motor carriers of passengers. PSC certificates are valid until suspended or revoked by the Commission. TCP certificates and permits are effective for three years, unless earlier suspended or revoked.

Occasionally a PSC or TCP will ask for temporary suspension of its operating authority. Frequently given reasons for a voluntary suspension (VS) request are financial problems, difficulties in procuring the insurance coverage required to maintain an active operating authority, or the need for time to find a buyer for the business. Heretofore, PSC suspension requests have been handled by individual Commission resolutions. TCP requests have been granted by the staff under authority delegated by Resolution TL-18269. That 1988 resolution authorizes the Executive Director to "issue, transfer, amend, place in voluntary suspension and reinstate permits of highway carriers . . . "

The Rail Safety and Carriers Division (RSCD) recommends that the Executive Director be authorized to grant voluntary suspension to PSCs. This would allow

the requests to be disposed of more quickly and reduce the number of matters brought before the Commission for formal action. RSCD advises there may be a very small number of instances where it would still want to bring the matter before the Commission for its consideration. An example might be when a scheduled, fixed route bus operator requests to suspend only a portion of its service. A concern could be that the operator wants to shut down an unprofitable part of its operation without regard to the public need for that service.

RSCD informs that the majority of VS requests are for a year or less, but that sometimes a request is made for a longer period. RSCD recommends delegated authority to grant PSC suspension requests of up to two years.

RSCD further recommends that the authority to grant VS requests by TCP operators be included in this resolution. RSCD believes it is desirable to have the delegated authority for all highway carriers of passengers in a single resolution. It adds that Resolution TL-18269 deals more broadly with a variety of permit actions, involving primarily highway carriers of property. It has been the practice of RSCD to grant VS to TCPs for the period requested by the carrier, up to the remaining life of the three-year certificate or permit. RSCD recommends continuation of that policy.

DISCUSSION

We concur that the Executive Director should be authorized to grant requests for VS. This is a ministerial function that the Commission may properly delegate to its staff. The staff is already authorized under other delegations of authority to suspend, revoke, and reinstate motor carrier permits and certificates for specified reasons. We therefore will adopt the recommendation of RSCD. We will also authorized the Executive Director to reinstate certificates and permits from VS upon request of the carrier, provided the carrier is in compliance with all insurance and other requirements.

COMMENTS ON DRAFT RESOLUTION

To comply with Pub. Util. Code § 311(g), the RSCD commenced publication of a Daily Calendar notice on May 24, 2002, that apprised the public of the

availability of its draft of this resolution and solicited comments by June 13, 2002. No comments were filed.

FINDINGS

1. PSCs and TCPs operate under certificates and permits granted by the Commission.
2. There are times when a PSC or TCP will request that its certificate or permit be temporarily suspended by the Commission.
3. The Commission's staff has been granting VS to TCPs under authority of Resolution TL-18269.
4. RSCD recommends that the Executive Director be authorized to grant VS to PSCs under a common delegation of authority with TCPs.
5. The granting of VS is a ministerial function that the Commission may delegate to its staff.
6. RSCD's recommendation is reasonable and should be adopted.

THEREFORE, IT IS ORDERED that:

1. The Executive Director is authorized to grant the written request for voluntary suspension (VS) of any passenger stage corporation (PSC), up to two years.
2. The Executive Director is authorized to grant the written request for VS of any charter-party carrier (TCP), up to the remaining life of the carrier's certificate or permit.
3. The staff may bring before the Commission by resolution any VS request that it believes should be considered formally.
4. The Executive Director is authorized to reinstate the certificate or permit of any PSC or TCP upon the carrier's written request, and provided that the

5. carrier is in compliance with all of the requirements of holding an active certificate or permit.

This resolution is effective today.

I certify that the foregoing resolution was duly introduced, passed, and adopted by the Commission at its regularly scheduled meeting on June 27, 2002. The following Commissioners voted favorably thereon:

/s/ WESLEY M. FRANKLIN

WESLEY M. FRANKLIN

Executive Director

LORETTA M. LYNCH

President

HENRY M. DUQUE

CARL W. WOOD

GEOFFREY F. BROWN

MICHAEL R. PEEVEY

Commissioners